

[date]

[Name]
[Addressee]
[Address]

Dear:

As you may know, the California State Auditor's Office is responsible for administering the California Whistleblower Protection Act (act), contained in the California Government Code, beginning with Section 8547. As such, my office investigates improper governmental activities by state employees and state departments and issues periodic reports that summarize the results of investigations that have substantiated such activities. You can view our investigative reports on our Web site at www.bsa.ca.gov/bsa/reports/inv.html.

State entities have two main ongoing responsibilities with regard to my office. First, under Section 8548.2 of the California Government Code, each state agency must print notices containing information concerning the act and post the notices in locations where other employee notices are maintained.¹ Each state agency can publish the notice in any manner it chooses and may include its own introductory language in the notice, but it cannot edit the text of the notice provided by my office. In addition, annually, each state agency must send the information contained in the notice by electronic mail to all of its employees.

Second, under Section 20080 of the *State Administrative Manual* (SAM), state entities must notify my office and the Department of Finance of ***all cases of actual or suspected fraud, defalcation, theft, or other irregularities*** [emphasis added]. This requirement applies to all incidents involving state assets, whether alleged against state employees or others. This notification should be in writing and not later than the first business day following the discovery of these incidents. The SAM section noted above describes the information that should be included in the reports and the timelines for submitting progress reports on what the entities have done to investigate and resolve the incidents. When we receive these reports, we review them to assess whether state entities have taken appropriate action to correct any control weaknesses that may have contributed to the incidents. We also assess whether state entities have investigated the incidents appropriately and, if we believe it is necessary, we investigate further.

I hope this information is helpful to you. Thank you for your cooperation in complying with the requirements of the California Government Code and the SAM. If you have any questions, please contact Russ Hayden, Manager of Investigations, at (916) 445-0255.

Sincerely,

ELAINE M. HOWLE, CPA
State Auditor

Enclosures

¹ An 11 x 17 poster and an e-mail message in rich text format are both available on our Web site at www.bsa.ca.gov/pdfs/other/whstblbr.pdf